DOCUMENT RESUME

ED 169 200 UD 019 323

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TITLE Paterson, New Jersey: A Fiscal and Educational Profile. A Report of the New Jersey Education Reform Project.
INSTITUTION Greater Newark Urban Coalition, N.J.; National Urban Coalition, Washington, D.C.
PUB DATE Mar 79
NOTE 32p.

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS *Educational Assessment; Educational Finance; *Educational Improvement; Elementary Secondary Education; Expenditure Per Student; *Financial Problems; *School District Spending; *School Support; State Aid; Student Improvement; Student Testing; Teacher Morale; Teacher Salaries
IDENTIFIERS *New Jersey (Paterson)

ABSTRACT

Despite the fact that Paterson has a high level of documented need, the city is below the State and Passaic County averages for professional staff per 1000 weighted pupils and per pupil expenditures for instructional materials. Teacher salaries are among the lowest in the State and teacher morale is reputed to be low. Even after two years of financial reform, Paterson's position in relation to the State and County is actually worse. To the extent that educational quality is related to educational expenditures, fiscal conditions in the city have hurt the district. State aid is not in proportion to the level of educational need in Paterson. There is nothing bright about Paterson's immediate future. The current school finance law will remain in force until overturned or modified and local decisionmakers in the city are expected to continue to keep taxes and educational spending at the bare minimum. It is doubtful that student performance on statewide tests will improve appreciably, if at all, without drastic change in the district. (Author/EB)

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APR 1 7 1979

A Report of the New Jersey Education Reform Project

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PATERSON, NEW JERSEY:
A FISCAL AND EDUCATIONAL PROFILE

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March - 1979

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PLEASE NOTE:

The data used in this profile was gathered from a number of sources, principally NJEA publications, New Jersey Department of Education publications and computer tapes, NJERP computer printouts. Revisions made subsequent to the publication of the data used and school finance calculations arrived at through another method may differ, if only slightly, from the figures quoted in this profile. However, any disparities between the data in this profile and subsequest revisions are not sufficient to alter the interpretations or conclusions stated in this report.

INTRODUCTION

During the 1800's, Paterson was one of the Nation's foremost industrial cities. Water power, which ran the numerous mills in Paterson's industrial district, was provided by the Great Falls. Paterson's factories produced textiles, silks, locomotives, and for a time submarines, before the industrial base began to decline.

More recently, the old industrial district has been the object of an ambitious restoration program and the creation of a museum district. Residents and local officials are understandably proud of the restoration program, which was the subject of a recent New York Times article, but there is another side of Paterson that is seldom written about in the metropolitan area press.

Paterson is a blighted urban center. Its tax base is low, much of the housing in the City is dilapidated or substandard, and the unemployment rate is high.

Over 27,000 students attend public schools in Paterson. Statistically, the district ranks low on measures of quality and high on measures of need. In the few years that have passed since the "thorough and efficient" law was enacted, the district has lost ground in relation to the rest of the State. Educational problems appear to be worsening as fiscal resources appear to be shrinking.

The purpose of this profile is to examine education in Paterson along a number of selected fiscal and educational indicators.

BACKGROUND

Paterson is a low income community. The New Jersey Department of Labor and Industry has estimated that between 1969 and 1975, the median income for the State increased 26.26% to $16,432. If the median income for Paterson increased at the same rate between 1969 and 1975, Paterson's 1975 median income was approximately $10,995, over 33% below the State median.

Paterson also has a high unemployment rate. New Jersey Department of Labor and Industry statistics fixed the statewide unemployment rate in December, 1978 at 6.9%. The unemployment rate in Paterson that same month was 11.1%, over 60% above the average for the State.

The socio-economic level in Paterson, as measured statistically, is the lowest in the State. The New Jersey Department of Education uses the district factor score as a measure of socio-economic level. The major elements in the factor are the district's: (1) educational background, (2) occupational background, (3) per capita income, (4) poverty level, and (5) unemployment rate. If a low socio-economic level is a valid indicator of disadvantagement or educational need, Paterson, at least statistically, is one of the neediest districts in the State.

In the 1970 Census, Paterson's population was 72% White. That same year, an estimated 22% of the 26,000 students enrolled in the public schools were Black or Hispanic. The racial balance in the public schools has changed considerably since the 1970 Census was taken. In 1977-78, over 80% of the resident

pupils in the public schools were Black or Hispanic. (Table 1). Paterson has become a minority school district while its total population has remained predominantly White. The change over the past decade in the proportion of White pupils enrolled in the public schools seems to reflect the phenomenon of "White Flight", from the public schools.

Paterson, unlike most New Jersey school districts, has not experienced any significant decline in total public school enrollment. In the six year period between 1972 and 1977, Paterson's enrollment declined by only 243 pupils, a drop of less than 1%. (Table 15).

Paterson is a high need district, it is educationally overburdened. The majority of the resident pupils qualify as harder and costlier to educate. In 1977-78, a staggering 92% of the enrolled resident pupils were eligible for special education, bilingual education, or compensatory education categorical programs. (Table 2).

Despite the fact that Paterson has a high level of documented educational need, the City is below both the State and Passaic County averages for professional staff per 1000 weighted pupils (Table 3) and per pupil expenditures for instructional materials (Table 4). Teacher salaries are among the lowest in the State and teacher morale is reputed to be equally at rock bottom.

EDUCATION EXPENDITURES

In 1974-75, the school year before the enactment of the Public School Education Act of 1975, the Paterson school system was spending $1106 per pupil. (Table 5). Paterson's per pupil expenditure that year was 17% below the $1296

per pupil State average, and 12% below the $1237 per pupil average for Passaic County. By 1977-78, two years after the enactment of the 1975 Act, Paterson's per pupil spending had slipped even further below the State and County averages.

In 1977-78, per pupil spending across the State averaged $1907, an increase of $612 (47%) over the 1974-75 level. Per pupil spending in Paterson increased by $300 (27%) during the same period to $1406 in 1977-78. Average per pupil expenditures in Passaic County rose $464 (37%), to $1701, between 1974-75 and 1977-78 (See Table 5). As a result of the considerable increases in per pupil spending at the State and County levels, and the rather modest increases in per pupil spending in Paterson, the expenditure disparities increased. By 1977-78 Paterson's per pupil spending had dropped from 17% to 36% below the State average and from 12% to 21% below the Passaic County average.

After two years of school finance reform, Paterson's position in relation to the State and County had actually worsened. The difference in actual dollars between per pupil spending in Paterson and the State and County averages doubled under the 1975 Act. In 1974-75 under the Bateman/Tanzman Act, Paterson was spending $190 below the State average and $131 below the County average. By 1977-78, under the fully funded 1975 Act, per pupil spending in Paterson had plunged to $502 below the State average and $295 below the County average.

The 1975 Act did not require a district to adhere to a minimum expenditure level, or assess at a minimum tax rate. More important is the fact that the 1975 Act did not contain "maintenance of effort" provisions that would have required municipalities to keep the dollar amount of the local contribution to the school budget at a specific level. The result of this shortcoming in the

1975 Law was predictable: Fiscally hard pressed and tax conscious municipalities would pare local contributions to school budgets to the bone. The increase in revenue gained from reducing the local contribution to the school budget could then be utilized to finance other non-educational municipal services or be passed back to the local taxpayer as a reduction in the tax rate.

Between 1975 and 1977, Paterson's local contribution to the school budget dropped from $13.2 million to $10.8 million. To the extent that educational quality is related to educational expenditures, the fiscal reductions have hurt the district. Paterson was a property poor, high need, low spending district prior to the enactment of the 1975 Law; and still is after two years of so-called reform.

Money alone does not guarantee a quality educational system. However, money is a critical factor; a necessary, if not sufficient condition. Money cannot solve all of the problems in the Paterson educational system, but it is logical to assume that if the needs of the City's pupils are to be met, it will cost more and not less than the current level of spending. Paterson is overburdened with special needs pupils and if they are to be given equal educational opportunity, it will cost more. At the very least, these pupils will require smaller staff/student ratios and greater amounts of time in small group learning situations if they are to be educated up to the level implied in the "thorough and efficient" constitutional provision.

TAX RATE AND TAX BASE

Paterson, along with Passaic, has the highest equalized total tax rate in Passaic County. (Table 6). In 1978, the $3.65 per $100 equalized total tax rate

in Paterson was 27% above the State average and 33% above the County average. An above average tax rate is nothing new to Paterson residents. In 1974, Paterson's tax rate was 37% above the State average and 46% above the County average. (Table 7). When compared to all other New Jersey school districts, the City's tax effort is better than average.

However, among the seven major urban centers with the largest school enrollments, Paterson is the lowest taxing district. The six other major urban centers tax at rates that range from 6% to 105% above Paterson's 1978 levy. (Table 8). The mean 1978 equalized total tax rate for East Orange, Jersey City, Trenton, Newark, Camden, Elizabeth and Paterson was $5.10 per $100 equalized assessed valuation; 40% above the $3.65 Paterson levy. When compared to other major urban centers, the City's total tax effort is lower than average.

Paterson's municipal tax rate is lower than the municipal rates in five of the other major urban centers mentioned above. The mean municipal tax rate for the urban centers was $3.38 per $100 equalized valuation, 68% higher than the $2.01 municipal tax rate in Paterson. (Table 8). On the other hand, the school tax rate in Paterson is a higher percentage of the total tax rate than in the six other urban centers.

The percentage of the total tax rate allocated to school costs versus municipal costs is not as skewed towards municipal costs in Paterson as it is in the other urban centers, but the school tax rate is sufficiently below the State average and the municipal tax rate sufficiently above the State average to illustrate the City's fiscal plight. In urban areas, municipal costs consume the greater proportion of the tax dollar.

All of New Jersey's urban centers are fiscally hard pressed and Paterson is no exception. The root cause of the fiscal problems is the generally inadequate urban tax base, the source of local municipal and education revenues.

Paterson is a property poor district. The 1977-78 $29,668 equalized valuation per pupil in Paterson was the lowest in Passaic County and the 15th lowest among New Jersey's 600 school districts. The State average equalized valuation per pupil in 1977-78 was $78,164 (Table 9), 163% higher than Paterson's. Within Passaic County, the equalized valuation per pupil ranges from 50% to 518% higher than Paterson's. It is easier for Passaic County's wealthier districts to raise more revenues with a lower tax rate. For example, Clifton's 1978 equalized school tax rate was $0.86, approximately 48% lower than Paterson's 1978 school tax. Clifton is a property rich district which with a school tax rate nearly half that of Paterson generates a per pupil yield that is 172% higher than Paterson's.

Calculation:

	Equalized Valuation Per Pupil	x	School Tax Rate (%)	=	School Revenue Per Pupil
Clifton:	$154,050	x	0.0086	=	$1324.83
Paterson:	$ 29,668	x	0.0164	=	$ 486.56

If the residents of Paterson wished to raise the same amount of school revenue as Clifton, they would have to increase their school tax rate from $1.64 per $100 equalized assessed valuation to $4.47, or by 172%. It is highly unlikely that anyone in Paterson would suggest a tax increase of this magnitude, if they would suggest a tax increase at all. In the first place, the tax burden would

be too great. Paterson is a low income community and property taxes, which are already higher than average, account for a greater than average proportion of the resident taxpayers' income. Another reason such a tax increase would be unlikely is that local municipal officials in Paterson are extremely tax conscious.

Reducing or holding down the local property tax rate is one of Mayor Lawrence Kramer's priorities. In the past the Mayor has utilized federal anti-recession grants and CETA (Comprehensive Employment Training Act) funds to pay city employees and lower municipal costs. He is also reputed to have led efforts to reduce the City's contribution to the school budget. It is alleged that Mayor Kramer, as chairman of the Board of School Estimate, has consistently resisted attempts to increase education spending for Paterson students. Critics of the Mayor believe he is insensitive to the educational needs of Paterson's predominantly minority student population. His supporters, on the other hand, contend the Mayor is doing "the best he can" given the conditions; that he is caught "between a rock on one side and a hard place on the other".

MUNICIPAL OVERBURDEN

Municipal overburden is a condition which exists when the costs of essential non-educational public services provided by a municipality place that municipality in a difficult fiscal position. Municipal overburden is found in urban, suburban, and rural communities, but it is most acute in older, poorer cities such as New Jersey's major urban centers. Generally, a high tax rate and a limited tax base are indicators that overburden may exist.

Reshovsky and Knickman (1976) defined municipal overburden in terms of the tax rate a community was required to levy in order to pay for essential public services. The authors found that the average per capita cost of providing essential non-educational public services doubled for older and poorer New Jersey cities.

Paterson was classified as an overburdened district. The per capita cost of providing essential non-educational public services was 156% higher in Paterson than in Pompton Lakes, a wealthier, moderate socio-economic level Passaic County community.

In overburdened municipalities all public services must be financed from the same limited tax revenues. The result is often an intense competition for public funds that leaves one or more of the public services shortchanged or underfunded. Education has traditionally been the area of the public sector that has suffered the greatest budget cuts whenever there is a fiscal crunch. In general, this has been the pattern for New Jersey's major urban centers and in Paterson, which is overburdened to a lesser extent than nearly all of the other urban centers, the education budget has been a prime target.

STATE AID

In 1977-78, Paterson received approximately $950 per pupil in state aid to education. (Table 10). The majority of the education funds that flow into Paterson are for current expense equalization aid to offset the limitations of the City's low tax base. At first glance, the level of state aid per pupil that Paterson is reimbursed might seem more than adequate. It is not. Paterson's level of per pupil spending has been among the lowest in the State for so long

that it would take substantial amounts of additional state aid to bring the City's education spending up to a level that reflected the amount of educational need in the district.

Paterson, as one of the most property poor districts in the State, did not receive state aid benefits in proportion to the level of educational need when the current school finance formula replaced the old Bateman plan. Both the percentage and the actual dollar increase in state aid to Paterson were lower than the state average. (Table 10). In 1974, the City's state aid allocation was 74.74% above the state average. In 1977, two years after the so-called reforms, the state aid allocation had fallen to 41.82% above the state average. (Table 10). Very little of the 400 million dollars in increased aid to education that was disbursed throughout the State was earmarked for property poor districts such as Paterson (Goertz, 1978).

Paterson was eligible for an estimated 6.4 million dollars in categorical aids in 1978-1979. Over 4.2 million dollars of the categorical funds are designated for compensatory education supplemental programs for which 86% of the City's enrolled pupils are eligible. (Table 2). Taken as a lump sum the 4.2 million dollars for compensatory education may appear to be a windfall for the district. But it is not. The per student allocation was approximately $182 for the year, irregardless of whether the student required remediation in one skill area (reading or math) or two (reading and math).

PUPIL ACHIEVEMENT

Paterson students have performed poorly in the Educational Assessment Program from the time statewide testing was introduced in New Jersey. The

performance of Paterson high school graduates who took the 1978 New Jersey College Basic Skills Placement Test was equally poor.

The New Jersey Department of Education, using test scores from the 1976 Educational Assessment Program to project the number of students eligible for compensatory education funds has estimated that approximately 40% of Paterson's students perform at or above the statewide minimum standard. (Table 11). Paterson's competency level, as measured by this particular statistic, is the lowest in Passaic County and one of the lowest in the State.

In 1978, a new statewide basic skills test was administered to New Jersey students in grades three, six, nine, and eleven. The 1978 test was the object of considerable criticism. It was attacked for being "too easy" in comparison to the 1976 statewide test. In addition, certain sections in the 11th grade test were identical to sections in the 9th grade test. Critics charged that the test results, particularly those for the 11th grade, would create a false sense of competency in regard to New Jersey students. The test became even more controversial when it was alleged that some districts withheld the scores of up to 20% of the students tested.

District scores for Paterson on the 1978 basic skills test were among the lowest in the State and, along with Passaic City, the lowest in Passaic County. In general, the performance of Paterson pupils was far below the State average. (Table 12).

The scores of the 11th grade students looked surprisingly good if taken at face value and if the allegations that the test was "too easy" were ignored. What is more significant is that between the 10th grade and the time the 1978

test was administered Paterson's 11th grade classes lost 478 students. In 1976-77 there were 1,632 students enrolled in the 10th grade. Only 1,152 students took the basic skills test the following year in the 11th grade. Somehow, either through dropouts, students moving out of the district, or students who were not tested there was a 29% decline in pupils.

Paterson high school graduates also performed poorly on the College Basic Skills Test. (Table 13). Nearly three-fourths of the Paterson students who took the test failed to achieve the minimum standard in Reading Comprehension and Elementary Algebra. Further, their performance on the other sections of the test was consistently far below the average for the State.

There is considerable controversy around the degree to which achievement test scores are an indicator of the quality of a district's educational system. There is general agreement, however, that pupil performance is one of the important indicators of educational quality. Given the test scores of Paterson students at the elementary, secondary, and college levels, it is impossible to defend the notion that education in Paterson is even remotely thorough and efficient.

CONCLUSION

Paterson, like most New Jersey cities, suffers from too many problems and too little fiscal resources. The school system, by any standard, is ineffective. It is a low property wealth, low spending, low achieving, highly taxed district. The City's political structure is reputed to be insensitive to the needs of the predominantly minority school population and concerned primarily with tax relief and the restoration of historic landmarks. On the other hand, it is claimed that local decision makers are sensitive to the district's educational problems, but lack the fiscal resources to effect changes.

When the Public School Education Act of 1975 was enacted, it was heralded by some as the means through which districts like Paterson could begin to provide a thorough and efficient education. However, the fiscal provisions of the 1975 Act did not improve Paterson's position in relation to the rest of the State: The current per pupil spending level is farther below the State and County averages than it was under the old Bateman plan. (Table 14).

There is nothing bright about Paterson's immediate future. The current school finance law will remain in force until overturned or modified and local decision makers in the City are expected to continue to keep taxes and educational spending at the bare minimum. It is doubtful that student performance on Statewide tests will improve appreciably, if at all, without drastic change in the district.

There must be some change for the better for Paterson's 27,000 public school pupils. The power and the responsibility for bringing about positive change in Paterson's educational system rests with a number of key groups and individuals who in many respects have contributed to or acquiesed as the quality of public

education in Paterson has declined. At the local level, the Mayor, Board of Education, as well as the Superintendent of Schools and his staff will be a critical element if change is to occur. At the County level, the office of the Passaic County Superintendent of Schools will have to face up to the City's problems and provide assistance and strong educational leadership. The ultimate responsibility for resolving Paterson's education problems, however, rests with the Commissioner of Education because education is a State responsibility and the Commissioner is the State's chief educational administrator and leader.

If positive change is to become a reality in Paterson, all of the actors cited above will have to commit themselves to change and work together. The most immediate and vigorous action as well as overall leadership must come from the Commissioner, the State's chief educational administrator. He has considerable authority under the current laws; certainly enough to effect a beginning in a change for the better. It is still possible for the term "thorough and efficient system" to be more to Paterson parents and students than merely a phrase in the State constitution.

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TABLE I

1977 - 1978 RACIAL/ETHNIC ENROLLMENT IN PATERSON

White	Black	Hispanic	Indian/Pacific	Total
4,810 (17.7%)	14,222 (52.2%)	8,126 (29.8%)	90 (0.3%)	27,248 (100.0%)

Source: New Jersey Public School Racial/Ethnic Data, 1977-1978. New Jersey Department of Education, Trenton, New Jersey. May, 1978.

TABLE 2

PATERSON STUDENTS ELIGIBLE FOR STATE CATEGORICAL PROGRAMS

School Year	Special Education	Bilingual Education	Compensatory Education
1977-1978	797	791	23,435.1
1978-1979	821	750	23,435.1
Percent Change	+3.0	-5.2	-

Sources: Application for State School Aid under Chapter 212 P.E.A. 1975. Office of the Superintendent, Passaic County. February, 1978.

New Jersey Department of Education State Compensatory Education Printouts (District Eligibility Levels). 1977-1978, 1978-1979.

TABLE 3

PROFESSIONAL STAFF PER 1,000 WEIGHTED PUPILS

School Year	Paterson	Passaic County Average	State Average	Percent Below State Average
1973 - 1974	47.8	52.9	58.1	17.73%
1974 - 1975	48.4	54.1	59.7	18.93%
1975 - 1976	49.3	55.0	60.1	17.97%
1976 - 1977	49.3	56.1	60.8	18.91%

Sources: NJEA Research, Basic Statistical Data of New Jersey School Districts. 1973 to 1978. New Jersey Education Association. Trenton, New Jersey

TABLE 4

PER PUPIL EXPENDITURES FOR INSTRUCTIONAL MATERIALS

School Year	Paterson	Passaic County Average	State Average	Percent Below State Average
1973 - 1974	23.70	36.89	43.32	45.18%
1974 - 1975	38.84	43.58	49.84	22.07%
1975 - 1976	30.86	40.46	52.99	41.76%
1976 - 1977	23.46	39.52	55.96	58.08%

Sources: NJEA Research, Basic Statistical Data of New Jersey School Districts. 1973 to 1978, New Jersey Education Association. Trenton, New Jersey

TABLE 5

CURRENT EXPENDITURES PER PUPIL
1974-75 and 1977-78*

	1974-1975	1977-1978	Percent Increase
Paterson	1106	1406	27.12
State Avg. Exp/Pupil	1296	1908	47.22
Passaic County Avg. Exp/Pupil	1237	1701	37.51

*Current Expense Budget minus tuition

Source: NJERP School Finance Data (printouts). New Jersey Educational Computer Network, Job 851. May 25, 1978.

TABLE 6

1978 EQUALIZED TOTAL TAX RATES OF PASSAIC COUNTY SCHOOL DISTRICTS

District	Rank	Equalized Total Tax Rate
Passaic	1.5	3.65
Paterson	1.5	3.65
Pompton Lakes	3	3.27
Ringwood	4	3.20
Bloomingdale	5	3.11
West Milford	6	3.09
Wanague	7	2.95
Wayne	8	2.87
STATE AVERAGE	-	2.87
COUNTY AVERAGE	-	2.74
North Haledon	9	2.67
Haledon	10	2.66
Prospect Park	11	2.62
Hawthorne	12	2.53
West Paterson	13	2.47
Little Falls	14	2.32
Totowa	15	1.96
Clifton	16	1.95

Source: NJEA Research. Basic Statistical Data of New Jersey School Districts. Bulletin A78-2. New Jersey Education Association. Trenton, New Jersey. September, 1978.

TABLE 7

EQUALIZED TOTAL TAX RATES, 1974 to 1978
PATERSON, PASSAIC COUNTY AVERAGE, STATE AVERAGE

	1974	1975	1976	1977	1978
Paterson	4.49	4.00	3.85	3.76	3.65
Passaic Cty. Avg.	3.07	2.93	3.05	2.83	2.74
State Avg.	3.28	3.17	3.26	3.01	2.87

Source: NJEA Research. Basic Statistical Data of New Jersey School Districts. 1974 - 1978. New Jersey Education Association. Trenton, New Jersey.

TABLE 8

1978 EQUALIZED SCHOOL, MUNICIPAL, AND TOTAL TAX RATES
OF SEVEN MAJOR URBAN CENTERS IN NEW JERSEY

District	School Tax	Municipal Tax	Total Tax
East Orange	2.01	5.48	7.49
Jersey City	1.77	4.30	6.07
Trenton	1.69	3.55	5.24
Newark	1.65	3.45	5.10
Camden	1.23	3.02	4.25
Elizabeth	2.06	1.82	3.88
Paterson	1.64	2.01	3.65
STATE AVERAGE	1.56	1.31	2.87
Urban Center Mean	1.72	3.38	5.10

* NJERP Calculations.

Source: NJEA Research. Basic Statistical Data of New Jersey School Districts. Bulletin A78-2. New Jersey Education Association. Trenton, New Jersey. September, 1978.

TABLE 9

1977-1978 EQUALIZED VALUATION PER PUPIL OF
PASSAIC COUTY SCHOOL DISTRICTS

District	Rank	Equalized Valuation Per Pupil ($)
Totowa	1	183,371
Clifton	2	154,050
Little Falls	3	125,745
Hawthorne	4	116,603
Wayne	5	114,514
West Paterson	6	102,153
North Haledon	7	100,249
Haledon	8	99,302
STATE AVERAGE	-	78,164
Pompton Lakes	9	77,095
COUNTY AVERAGE	-	73,298
West Milford	10	70,164
Wanaque	11	63,496
Prospect Park	12	60,667
Ringwood	13	59,580
Bloomingdale	14	57,887
Passaic	15	44,592
Paterson	16	29,668

Source: 1978-79 State School Aid Chapter 212 P L 1975.
State of New Jersey Department of Education,
Division of Administration and Finance. EDSA 16.
DP No. WSA89174. 12/30/77 (Computer Printouts)

TABLE 10

TOTAL STATE AID PER PUPIL, 1974-1975 and 1977-1978

District	1974 - 1975	1977 - 1978	Difference	Percent Increase
Paterson	702.94	949.55	+246.61	35.08%
State Avg.	402.27	669.56	+267.29	66.45%
Passaic County Avg.	412.06	664.63	+252.57	61.29%

Sources: NJEA Research. Basic Statistical Data of New Jersey School Districts. Bulletin A78-2. New Jersey Education Association. Trenton, New Jersey. September, 1978.

NJEA Research. Basic Statistical Data of New Jersey School Districts. Bulletin A75-2B. New Jersey Education Association. Trenton, New Jersey. June, 1975.

TABLE 11

PASSAIC COUNTY SCHOOL DISTRICTS RANKED HIGH TO LOW
BY THE ESTIMATED PERCENTAGE OF STUDENTS BELOW THE MINIMUM STANDARD
(DISTRICT PUPIL ACHIEVEMENT)

District	Rank	Estimated Percent Above Minimum Standard
Bloomingdale	1	88.23
Ringwood	2	84.96
North Haledon	3	84.26
Little Falls	4	83.97
Wayne	5	82.42
Hawthorne	6	81.10
Clifton	7	80.64
West Milford	8	80.51
Prospect Park	9	76.17
Pompton Lakes	10	75.49
Wanaque	11	75.14
West Paterson	12	74.72
COUNTY AVERAGE	-	74.68
Haledon	13	72.28
Totowa	14	71.41
STATE AVERAGE	-	71.06
Passaic	15	43.30
Paterson	16	40.31

Source: Calculated by NJERP from New Jersey Department of Education State Compensatory Education Printouts (District Eligibility Levels) and 1977-1978 enrollment data.

TABLE 12

1977 - 1978 MINIMUM BASIC SKILLS TEST RESULTS
PERCENT BELOW STATEWIDE STANDARD

Grade Tested	Skill Measured	Paterson	State Average	Percent Difference
3	Reading	36.4	13.7	22.7
	Math	44.0	24.7	19.3
6	Reading	50.0	24.7	25.3
	Math	52.5	29.6	22.9
9	Reading	66.4	23.7	42.7
	Math	61.1	25.5	35.6
11	Reading	38.5	10.1	28.4
	Math	38.9	16.0	22.9

Source: New Jersey Department of Education
Educational Assessment Program
Minimum Basic Skills Tests, 1977-1978.
Administered April 12-13, 1978.

TABLE 13

PERCENTAGE OF STUDENTS NOT ACHIEVING MINIMUM SCORE ON
NEW JERSEY COLLEGE BASIC SKILLS PLACEMENT TEST

	Reading Comprehension	Algebra
Paterson	70.94%	73.43%
State Average	39.0%	57.0%

Source: Report to the Board of Higher Education on the Results of the New Jersey College Basic Skills Placement Testing, May 1, 1978 - September 28, 1978, Aggregated According to Sending High Schools. New Jersey Basic Skills Council. December 15, 1978.

TABLE 14

1977 - 1978 CURRENT EXPENDITURES PER PUPIL*
OF PASSAIC COUNTY SCHOOL DISTRICTS

District	Rank	Current Expenditures/Pupil
Pompton Lakes	1	2292
Wayne	2	1983
Hawthorne	3	1940
STATE AVERAGE	-	1907
Totowa	4	1870
Wanaque	5	1804
West Milford	6	1764
COUNTY AVERAGE	-	1701
Bloomingdale	7	1694
Clifton	8	1687
Passaic	9	1621
West Paterson	10	1605
North Haledon	11	1539
Ringwood	12	1535
Little Falls	13	1532
Haledon	14	1500
Paterson	15	1406
Prospect Park	16	1313

* Current Expense Budget minus Tuition and ESEA (Title I), divided by resident enrollment.

Source: NJERP School Finance Data (printouts). New Jersey Educational Computer Network, Job 851. May 25, 1978.

TABLE 15

CHANGES IN RESIDENT SCHOOL ENROLLMENT
PATERSON, 1972 to 1977

School Year	Pupil Count*	Percent Change
1972	27,440	--
1973	27,091	- 1.27%
1974	27,276	+ 0.68%
1975	27,663	+ 1.42%
1976	27,697	+ 0.12%
1977	27,197	- 1.81%

Source: NJEA Research. Basic Statistical Data of New Jersey School Districts, 1972 - 1978. New Jersey Education Association. Trenton, New Jersey.

*Resident enrollment on September 30th of year cited.

TABLE 16

1977 - 1978 RACIAL/ETHNIC DROPOUT REPORT, PATERSON

White	Black	Hispanic	Indian/Pacific	Total
146 (18.4%)	450 (56.6%)	198 (24.9%)	1 (0.1)	795 (100.0%)

Source: New Jersey Public School Racial/Ethnic Data, 1977-1978. New Jersey Department of Education. Trenton, New Jersey. May, 1978

TABLE 17

ENROLLED RESIDENT PUPILS PER CLASSROOM TEACHER

	1972	1973	1974	1975	1976	1977
Paterson	22.13	22.04	19.79	20.39	20.17	19.96
Passaic County Average	20.48	20.31	19.24	19.77	19.31	18.68
State Average	19.27	18.79	18.36	18.28	18.22	17.29

Source: NJEA Research, Basic Statistical Data of New Jersey School Districts. Bulletins, 1973 to 1978. New Jersey Education Association. Trenton, New Jersey.

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GLOSSARY

BATEMAN PLAN (Bateman/Tanzman Act): The former system of school financing in New Jersey that was revised in 1970, but overturned by the State Supreme Court in 1973 as unconstitutional. The Bateman Plan was replaced by the current system when the Public School Education Act of 1975 was enacted.

CATEGORICAL AID: Federal or State aid that is awarded for a specific use in a specific classification or category. Bilingual, compensatory education, special education, and transportation aid are examples of State categorical aid programs.

CURRENT EXPENDITURES (Current Expense Budget): Education expenditures associated with the daily operation of the school program. Includes all expenditures except those for debt service and capital outlay.

EDUCATIONAL OVERBURDEN: A term applied to school districts with excessive numbers of pupils who have special needs and are harder and costlier to educate. When the percentage of special needs pupils in a district exceeds 30%, the district can be considered overburdened because fiscal and staff resources may be inadequate.

EQUALIZED VALUATION: A measure of property wealth. The value of a district's taxable real property adjusted to reflect 100% of its market value.

EQUALIZED TAX RATE: A measure of tax effort. The tax rate of a district or municipality adjusted to reflect an assessment rate of 100% of market value.

EQUALIZATION AID: State aid to education that compensates districts with low property bases. Equalization aid is calculated as a percentage of the current expense budget minus State and Federal categorical aid, tuition, surplus funds, and miscellaneous, that will be reimbursed by the State. Property poor districts receive greater percentages of equalization aid, wealthier districts receive less.

PUBLIC SCHOOL EDUCATION ACT OF 1975 (The "Thorough and Efficient Law"): The 1975 Law revised and supplemented the New Jersey Education Statutes as a response to the State Supreme Court's action that declared the Bateman Plan unconstitutional. The 1975 Law contained state aid and school finance provisions currently in force in New Jersey.

WEIGHTED PUPILS: A system that gives students a lesser or greater "weight" according to their special needs or their classification in special groups. For example, a regular student might be counted as 1.0. A student in a special category or with a special educational need would be counted as 1.8, the additional weight (0.8) accounting for the special needs. Weighting systems are generally used in calculating aid to education or determining pupil counts in relation to how difficult and costly various pupil groups are to educate.